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E. B. STAHLMAN—HIS CHARGES DENIED AND
MOTIVE EXPOSED.

"Since this man has branded himself and has been branded by a report of a committee of this body and by Senators familiar with the transaction, it is unnecessary for me to characterize him or the charges he has made against me other than to pronounce them as utterly and absolutely false."

SPEECH
OF
HON. LUKE LEA
OF TENNESSEE

IN THE

SENATE OF THE UNITED STATES

JULY 15, 1914



WASHINGTON

1914

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H O N . L U K E L E A ,
O F T E N N E S S E E .

Mr. LEA of Tennessee. Mr. President, I rise to a question of personal privilege. Almost coincident with the passage on my motion by this body of Senate resolution No. 153, directing the Interstate Commerce Commission to investigate certain practices and methods of the Louisville & Nashville Railroad I was selected as a target for abuse and vilification by one E. B. Stahlman, formerly a vice president, a legislative agent, and a lobbyist of that company, and now publisher of the Nashville Banner, and very generally believed in Tennessee still to have connections with that railroad.

Coincident with the publication on Thursday last of the preliminary report by the Interstate Commerce Commission in response to the Senate resolution directing that this investigation be made the said E. B. Stahlman published a more aggravated attack on me than theretofore on the first page of the same issue of his paper, in which on an inside page was published the report of the Interstate Commerce Commission, apparently as if to break the force of the astounding story of danchery through free passes by this railroad which Stahlman served so long as lobbyist.

I replied, answering his charges, establishing their falsity by the testimony of disinterested parties, men of the highest character, and laid bare his record as investigated and exposed by a Senate committee.

On July 14, 1914, there appeared the following dispatch from Nashville in the Washington Herald:

[Special to the Washington Herald.]

NASHVILLE, TENN., July 13, 1914.—Branding Senator LUKE LEA as "scion of an honored, wealthy family, gotten down to the low level of a holdup bandit and plain grafter," E. B. Stahlman—13699

man, owner of the Nashville Banner, to-day, in print, charged LEA with grafting \$10,000 from the erstwhile judiciary committee and also \$10,000 from Republicans of the State to aid the fusion cause.

LEA, owner of a rival paper, and Stahlman are waging a bitter war in print, LEA having previously denounced Stahlman. Until a few months ago they were fast friends.

While the charges relate to a time several years ago, some months before I was either a candidate for or elected to the Senate, the only office I have ever held or have ever been a candidate for, still if I am the creature he describes I would be unfit for membership in this body or association with decent men.

Fortunately for me the character of E. B. Stahlman, who makes these charges, is not only well known in Tennessee but in Washington, where he was once the subject of a senatorial investigation. The said Stahlman, in addition to being the lobbyist of the Louisville & Nashville Railroad, of which he was vice president for many years, would lobby for any concern which desired legislation by any public body and would pay the hire of a lobbyist.

He was at one time employed to lobby through Congress a claim of the Methodist Publishing House of approximately \$300,000. He entered into a solemn, written contract with the agents of the publishing house by which he was to receive 35 per cent of any amount collected on this claim, a copy of which contract, as published in the report of the Senate investigating committee, I will, in the absence of objection, incorporate in my remarks without reading:

ARTICLES OF AGREEMENT BETWEEN BARBEE & SMITH, BOOK AGENTS OF THE METHODIST EPISCOPAL CHURCH SOUTH, AND E. B. STAHLMAN.

Witness:

First. That we, Barbee & Smith, book agents of the Methodist Episcopal Church South, do hereby give power of attorney to the said E. B. Stahlman to prosecute our claim before the Congress of the United States, for the use and abuse of the publishing house of the Methodist Episcopal Church South by the Armies of the United States during the war between the States from A. D. 1861 to 1865.

Second. We, Barbee & Smith, book agents of the Methodist Episcopal Church South, do hereby agree that the said E. B. Stahlman shall receive as compensation for his services 35 per cent of whatever sum shall be collected from the United States for the liquidation of the aforesaid claim.

Third. It is hereby agreed between Barbee & Smith, book agents of the Methodist Episcopal Church South, party of the first part, and E. B. Stahlman, party of the second part, that should the Congress of the United States make no appropriation for the liquidation of the aforesaid claim, then, in that case, no compensation shall be paid to the said E. B. Stahlman for his services, from any source whatever, and he shall have no recourse upon us or our successors in office forever.

Fourth. We, Barbee & Smith, book agents of the Methodist Episcopal Church South, do hereby agree and covenant that this power of attorney herein and hereby conveyed to the aforesaid E. B. Stahlman shall continue in full force and effect until the final adjournment of the Fifty-fifth Congress of the United States.

(Signed) BARBEE & SMITH,
Book Agents for the M. E. Church South.
 E. B. STAHLMAN.

After the bill allowing this claim passed the House and was pending in the Senate, a question of fact was raised by Senators whether Stahlman had a contract for a percentage of this claim as a fee if the claim passed and it became certain that the bill would not pass so as to permit this payment to Stahlman. When the issue was raised Senator Bate of Tennessee, who was in charge of the bill, received a specific denial from the said E. B. Stahlman that he had any contract or was to receive any fee or any money other than his expenses for his work on the claim, which was, as he stated, prompted by his interest in the church.

The bill passed the Senate, the claim was paid by the Government, and Stahlman immediately collected out of the amount paid on the claim a sum in excess of \$100,000. The matter then became the subject of a senatorial investigation and the Senate Committee on Claims reported in part as follows, the full report being found in volume 8, Senate Report No. 1416.

Mr. Stahlman admits he intended that they [Senators] should receive this impression from what he said, and a fair interpretation of his words meant that there was no contract and that he was not connected in the case on account of money consideration. They were deceived and misled, and the deception was willful and deliberate on Mr. Stahlman's part.

In CONGRESSIONAL RECORD, volume 31, part 6, page 5677, is found the following extract from a speech of Senator Hale, of Maine :

Does the Senator believe that this lobbyist, who has looted this great appropriation that Congress gave to this religious society, has ever in any way contributed to the passage of the bill? Did it not go through entirely outside of him?
 52551—13693

On page 5804 of the same volume of the RECORD is found the following extract from a speech of Senator TILLMAN, of South Carolina :

I hope (the church) will make this thief and liar, Stahlman, disgorge.

In the same volume of the RECORD, page 5806, is found the following extract from a speech of Senator Morgan, of Alabama :

If this man Stahlman, who seems to be a German and who has floated into the case somewhere or other and somehow or other, has violated, as he seems to have violated, his duty and the obligations of a man to tell the truth, under the circumstances, if he has done so, that man will be tabooed. He is worse ruined now than if he had succeeded in getting a hundred million dollars out of this thing. There is no chance to put him in any worse attitude than he is to-day.

On page 5801 of the same volume of the RECORD is found the following extract from a speech of Senator Bacon, of Georgia :

In my conversation with the Senator from Tennessee and others before going to see Mr. Stahlman no mention was made of any percentage, and in my conversation with Mr. Stahlman there was no mention of any percentage. It was simply a question whether or not there was a large fee to be paid to him or others out of the recovery on account of this claim of the Methodist Book Concern, and his assurance to me was that there was no such contract, but there would necessarily be some expenses to be paid.

Inasmuch as this man is attempting to destroy my character and to blacken my reputation, it is proper to place before my colleagues the estimate he placed upon his own veracity, or rather, lack of veracity.

In Senate Document Report No. 1416 is found the following statement, under oath, by E. B. Stahlman :

Well, then, make me the martyr. I made the denial. Peter denied his Lord three times. He told a story. I do not claim to be better than Peter. If Peter was forgiven—and Peter is the rock upon which the church was founded—Stahlman can be forgiven for the crime he has committed, if crime it be.

These proofs of Stahlman's lack of character and want of veracity were embalmed in the archives of this Government before I was a Member of this body and at a time when I was absent from Nashville, being at college, and I did not know of them until long afterwards. Recently, since his attacks on me,

I investigated these reports, of which I had gained information, and published his record as laid bare by the report of the Committee on Claims, the speeches of Senators, and his own confession under oath.

Since this man has branded himself and has been branded by a report of a committee of this body and by Senators familiar with the transaction, it is unnecessary for me to characterize him or the charges he has made against me other than to pronounce them as utterly and absolutely false.

In conclusion, I have naught in my private life or as a public official which I desire to conceal from my colleagues or from the public, and I would welcome any action that the Senate might deem proper to take upon these charges made by this characterless creature, whose record in all the nakedness of its dishonor has been exposed to this body.

The meaning of this attack must be as obvious to all as it is to me. It is intended to be a painful lesson to me and a black-hand warning to others not to dare to train the pitiless light of publicity upon the nefarious conduct of lawbreaking corporations and their corrupt lobbyists.

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